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TAGS: [PGOV](#) [PINR](#) [HK](#)  
SUBJECT: HONG KONG PRINCIPAL OFFICERS ACCOUNTABILITY  
SYSTEM: WORST OF BOTH WORLDS?

Classified By: Acting Consul General Christopher Marut for reasons 1.4(b) and (d).

¶1. (C) Summary and comment: Hong Kong's Principal Officers Accountability System (POAS), which saw cabinet secretary and key deputy positions filled by political appointees rather than senior civil servants, has thus far failed to meet its goals. Removing senior officials from the protection of civil service status has not increased their accountability, as no official has been asked to resign for policy failure since the system began in 2002, and the default position of the Administration is to circle the wagons against outside criticism. Since the Chief Executive (CE) is not elected, he cannot confer a mandate on his appointees, and since the appointees are not subject to Legislative Council (LegCo) confirmation, they have no automatic political legitimacy of their own. By law, the CE must be non-partisan, and all appointees must similarly break any party ties, so the POAS has not empowered the CE to build a ruling coalition with parties in LegCo. With most senior positions filled by re-hatted civil servants, the POAS is also not grooming new political talent. The eventual election of the CE by universal suffrage will address many of the legitimacy issues, but core problems like the inability to form a partisan government and the lack of a private sector political class will remain. One solution may be to identify interested and talented junior civil servants willing to forego the security of the civil service in return for a chance to hold political power. End summary and comment.

¶2. (C) This analytical report looks at the development of Hong Kong's Principal Officers Accountability System in the context of Hong Kong's current constitutional structure and political culture. In addition to the public record and comments from the government and others recorded by the media, we spoke specifically with: former Secretary for the Civil Service Joseph Wong Wing-ping, Central Policy Unit (CPU - the Hong Kong government's in-house think-tank) member Shiu Sin-por, and pan-democratic legislative caucus convener Cyd Ho Sau-lan. We also attended a conference at which the POAS was critiqued by Chinese University of Hong Kong Professor Ma Ngok, SynergyNet scholar Brian Fong Chi-hong, columnist Chris Yeung Kin-hing, Democratic Party (DPHK) Vice Chair Sin Chung-kai, and legislators Audrey Eu Yuet-mee (Civic Party) and Regina Ip Lau Suk-yee (Independent).

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CE Without a Crown  
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¶3. (C) When Hong Kong became a Special Administrative Region (SAR) in July 1997, the Chief Executive (CE) was essentially the PRC's governor of Hong Kong, administering almost the same government the British had just relinquished. However, two changes, both made in the name of more democratic governance, deprived the CE of crucial authority enjoyed by the governor. First, the CE is not Beijing's plenipotentiary. The CE is "elected" by the people of Hong

Kong (albeit currently through a limited, pro-Beijing committee) and then appointed by Beijing. The CE is also explicitly subject to the Basic Law and other Hong Kong laws.

Second, while the CE will eventually be directly elected, the earliest that will occur is 2017. For now, the CE is nominated and elected by a committee of 800 weighted heavily towards Beijing's allies. Until the CE is directly elected, the incumbent is viewed, particularly by the pan-democrats, as somewhat illegitimate, or at least lacking a legitimate mandate to exercise his still-considerable authority.

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A Muddy Middle Ground  
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¶4. (SBU) Calls for the government, and particularly individual senior officials, to take responsibility for policy blunders led then-CE Tung Chee-hwa to propose the Principal Officers Accountability System (POAS) in April ¶2002. By making all of the policy secretaries (cabinet-rank officials) political appointees accountable to the CE, Tung contended, they could advance his "political" agenda without compromise to the neutrality of the civil service. Since they would serve at his pleasure, Tung argued, appointees could be removed for failure. Tung brought in five outsiders (joining non-civil servant Antony Leung Kam-chung, who had already come in as Financial Secretary a year earlier) to join his government from July 2002.

¶5. (SBU) Tung's successor, Donald Tsang Yam-kuen, won LegCo approval for two additional layers of political appointment in December 2007: Under Secretaries and Political

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Assistants. While the Under Secretary is in theory the second highest ranking official in a policy bureau, the professional civil servants working there in fact fall under the Permanent Secretary, now the highest career civil servant in any bureau (with the exception of the Civil Service Bureau itself, whose Secretary remains a serving civil servant.)

¶6. (C) As explained by Tsang, these two new layers are meant to further the divide between political and policy work, with the Secretary, Under Secretary and Political Assistants charged with promoting the policies to LegCo and the general public, while the career civil servants, now insulated from Hong Kong's often raucous political debate, focus on internal deliberations and analysis in the first instance, and then subsequently on the execution of policy. The other, more ambitious and ambiguous goal of the POAS was to groom political talent, presumably with an eye towards building a kind of ruling coalition between a directly-elected CE and a fully directly-elected LegCo.

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War for Talent  
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¶7. (C) The primary challenge in implementing a system meant to foster new political leaders from outside the career civil service was, first and foremost, finding qualified people. Since Hong Kong ceased appointing legislators in 1995, there have been no top-level political appointments other than to the Executive Council (ExCo, which is more of a consultative body) and the various non-governing advisory panels. As a result, CPU's Shiu told us, there is no class of policy specialists circulating between government and either academia or think-tanks. Former Secretary for the Civil Service Joseph Wong Wing-ping explained that bringing in activists or NGO leaders can be tricky, since they may be identified with narrow sectoral interests. A former teachers' union leader, for example, would be seen by Hong Kong people as potentially too partial to teacher interests to serve as Secretary for Education.

¶8. (SBU) Thus, of the fourteen cabinet positions Tsang might

fill with external appointments, at present only five are not career civil servants: Chief Secretary Henry Tang Ying-yen, a businessman who has held cabinet positions since 2002; Secretary for Justice Wong Yan-lung, a respected lawyer and one-time deputy High Court justice; Secretary for Financial Services and the Treasury K.C. Chan Ka-keung, a noted academic economist; Secretary for Food and Health York Chow Yat-ngok, an orthopedic surgeon; and Secretary for Home Affairs Tsang Tak-sing, a former leftist political activist and editor of PRC-owned daily Ta Kung Pao.

¶9. (C) While the remaining officials are thus experienced civil servants, they do not automatically possess the political skills their jobs increasingly demand. Unlike the system in which most came up, in which LegCo was generally compliant, policy secretaries must now routinely face grilling by legislators from across the political spectrum, and furthermore must help the Administration lobby for votes in support of its legislative agenda. CPU's Shiu recalled one cabinet secretary actually broke down in tears in anticipation of a LegCo appearance.

¶10. (C) Complicating the whole process is the Tsang administration's generally poor relationship with LegCo, which means nearly any appointment is another chance to criticize the government. The appointment of retired Director of Immigration Lai Tung-tok and Deputy Director for Home Affairs Adeline Wong Ching-man to fill Under Secretary vacancies at, respectively, the Security and Constitutional and Mainland Affairs Bureaux, was criticized by LegCo and others as failing to groom new talent, since Lai was already retired and Wong was near the end of her career. However, when the Administration appointed outsiders to fill a number of the Under Secretary and Political Assistant positions in spring 2008, it was criticized for giving highly remunerated positions to neophytes who lacked commensurate qualifications and experience.

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Political Paradox  
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¶11. (C) Building a political class is billed as an element of the evolutionary process expected to culminate in a directly-elected CE in 2017. That said, despite their overtly "political" role, appointees are expected to resign from any substantive positions in political parties, much as the CE is required by law to certify s/he is not affiliated

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with any political party. This unrealistic attempt at non-partisanship puts the CE in another no-win situation: should s/he draw from the ranks of parties reckoned as more supportive of the government (the Democratic Alliance for the Betterment of Hong Kong, the Federation of Trade Unions, the Liberal Party), the pan-democrats will criticize him or her for relying solely on pro-Beijing parties. These parties in turn have shown an increasing willingness to criticize the government for political gain, meaning having their members in the Administration may not guarantee the government votes from their parties. On the other hand, sticking with his more natural constituency among the ranks of career civil servants has brought Tsang the complaints noted above that he is not grooming outside political talent, and further that he relies on a small circle of loyal cronies.

¶12. (C) The other big political critique of the system is that, in the end, officials are not actually held accountable for failure. Arguably, the only real instances of people losing their jobs over policy failure or misconduct were then-Secretary for Security Regina Ip Lau Suk-yee's resignation following the withdrawal of Article 23 national security legislation in 2003 and the earlier resignation of then-Financial Secretary Antony Leung amid allegations he bought a luxury automobile just weeks before he proposed imposing a new tax on such purchases. (Ironically, once the

most reviled official in Hong Kong, Ip has reinvented herself as a popular elected LegCo member.) In general, the reaction of the Tung and Tsang administrations has been to close ranks around its appointees: while Leung probably did face some internal pressure to leave, Ip likely left of her own volition.

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Can it Be Fixed?  
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¶13. (C) Even among critics of the Tsang administration's implementation of the POAS, many believe the concept is sound. While the appointments made by a CE who is essentially Beijing's appointee inevitably smack of cronyism, SynergyNet's Fong spoke for many in arguing that appointees named by an elected CE will derive legitimacy from the CE's electoral mandate.

¶14. (C) Several reform proposals would further increase legitimacy, but are unlikely to be implemented both because they would require amending the Basic Law or changing Hong Kong law, and because Beijing appears reluctant to give full play to party politics. DPHK's Sin Chung-kai, among others, advocated allowing the CE to openly serve as a member of a party, thus staffing his or her administration with loyalists. Others have suggested that senior appointments be approved by LegCo. As an alternative not requiring legal changes, SynergyNet's Fong suggested appointments be reviewed (if not formally confirmed) by the LegCo Public Service Panel. Given that the current administration disdains LegCo as much as LegCo disdains it, such a voluntary move is unlikely.

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Who Should be Appointed?  
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¶15. (C) Former Civil Service Secretary Wong argued there were two relevant criteria for a political appointee: subject-matter expertise and the ability to get votes in LegCo, and he very clearly ranked the latter first. CPU's Shiu regarded the career civil service as a dubious pool from which to draw. Of 500-odd senior civil servants, Shiu estimated twenty might have actual political talent and five might have the necessary ambition. Legislator Cyd Ho, on the other hand, still saw civil servants as a natural talent pool, suggesting talented individuals might be identified relatively early in their career and offered a "political track" separate from the career service.

¶16. (C) Both Shiu and Wong saw the need to modify the use of the Political Assistant position. Wong noted that a great deal of the criticism leveled against the relatively-unknown and inexperienced candidates appointed to these positions in 2008 was the fact that they were given salaries equivalent to a directorate-grade civil servant, which a normal civil servant would receive only after fifteen to twenty years of service. Bringing in such relatively junior people at salaries more commensurate with their work experience might have prevented the outcry. Shiu argued each bureau should have several political assistants on short-term appointments, with an eye to building up a cadre of people with government experience who could be tapped later for more senior

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appointments.

¶17. (C) LegCo's Ho cited Environmental Bureau Political Assistant Linda Choy Siu-man as her ideal of a Political Assistant appointment. Choy served briefly as a civil servant, but also worked as a journalist and in business prior to her appointment. This breadth of experience, Ho argued, is what a political appointee should bring to the table.

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